

## **HAWAII TITLE XIX QUEST DEMONSTRATION FACT SHEET**

<b>Name of the Demonstration:</b>	Hawaii QUEST
<b>Original Proposal Submitted:</b>	April 19, 1993
<b>Proposal Awarded:</b>	July 16, 1993
<b>Implemented:</b>	August 1, 1994

### **BACKGROUND**

- QUEST (**Q**uality care, ensuring **U**niversal access, encouraging **E**fficient utilization, **S**tabilizing costs, and **T**ransforming the way health care is provided to public clients) is a statewide section 1115 program which creates a public purchasing pool that arranges for health care through capitated managed care plans. The project's objective is to take advantage of the existing market competition among insurers offering coverage through employers. Hawaii is unique among the states because it is the only state with a waiver of the Employee Retirement Income Act (ERISA) of 1974. This waiver enables the State to require employers to provide a mandatory benefit package to their employees who work 20 hours or more per week for four consecutive weeks. Therefore, individuals who are either enrolled or eligible for enrollment in an employer-sponsored health plan, as required under Hawaii's Prepaid Health Care Act, are ineligible for QUEST.
- In February 1996, the State implemented an enrollment cap for the QUEST program. This cap allows the State to limit enrollment into the QUEST health plans when the statewide levels exceed 125,000. This cap only applies to individuals who were not otherwise eligible for Medicaid under the State Plan.
- In April 1996, the State reinstated an asset test that was originally eliminated for QUEST beneficiaries. The State also created a safety net program entitled "QUEST-Net" for individuals who are no longer eligible for QUEST managed care *or* Medicaid fee-for-service. The QUEST-Net program requires monthly premiums on all of those who are enrolled. QUEST-Net adults receive a reduced benefit package while the children receive the full Medicaid benefit package.

### **ELIGIBILITY**

- Those who are eligible under the section 1115 QUEST demonstration are:
  - 1) Pregnant women and infants under the age of one with incomes up to 185 percent Federal Poverty Level (FPL);
  - 2) children from the age of one to under 6 years of age with incomes up to 133 percent FPL;
  - 3) children from the age of 6 up to age 19 with incomes up to 100 percent FPL;
  - 4) children with incomes above 200 percent but less than 300 percent FPL who were previously enrolled in either QUEST or Medicaid fee-for-service;

- 5) non-categorical individuals with incomes at or below 100 percent of FPL who meet the Medicaid asset limits;
- 6) individuals who are TANF cash recipients and are otherwise not eligible for Medicaid, and
- 7) adults with incomes below 300 percent of the FPL who lose Medicaid eligibility

## **BENEFIT PACKAGE**

- QUEST provides a standard benefit package consistent with the medical and behavioral services currently offered under Hawaii's traditional Medicaid program. The program emphasizes preventive care for adults and children and requires that plans provide Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services for all children up to age 21. Dental services for QUEST members are offered under the Medicaid fee-for-service system. However, some dental providers still maintain capitation arrangements with the State.
- The QUEST benefit package also includes behavioral health services. The State has contracted with a behavioral health managed care plan to provide behavioral health services to adults determined to have serious and persistent mental illnesses. Persons who do not qualify for the behavioral health managed care plan receive their services from their medical plans. Children determined to be high service users will receive outpatient behavioral health services through the Child and Adolescent Mental Health Division within the Department of Health. However, the majority of outpatient behavioral health services are provided through the Department of Education.

## **ENROLLMENT/DISENROLLMENT**

- All QUEST applicants are provided with brochures and educational sessions on the available health plans, and are asked to select a health plan when they submit the application. If a selection is not made within 10 days, they are automatically assigned to a plan within a reasonable geographical radius of their home. QUEST clients may change health plans only during the annual open enrollment period, although they may disenroll for cause at any time.

## **DELIVERY SYSTEM**

- The three capitated managed care plans, which provide physical health services to QUEST members are HMSA, AlohaCare, and Kaiser. AlohaCare was formed specifically for the QUEST program by Hawaii's seven community health centers. Dental services are provided through the Medicaid fee-for-service system. QUEST also contracts with a managed care plan and the Departments of Health and Education to provide behavioral health services.
- Most QUEST participants have a choice of at least two plans. The exception will occur on some of the rural islands, which may offer a choice of only one plan.

## **QUALITY ASSURANCE**

- Each health plan has developed an internal quality assurance program. In addition, the State has adopted the National Committee for Quality Assurance Health Plan Employer Data and Information Set (HEDIS) measures for assessing the adequacy of quality of care provided by each health plan. The State has established performance targets in each of the areas (preventive care, pre-natal care, acute and chronic disease, and behavioral health).
- The State of Hawaii awarded its third EQRO contract on July 1, 2001. Previous EQRO contracts have required EPSDT studies, encounter data validations, and provider and member satisfaction surveys. The new EQRO will use a more survey-oriented approach for quality monitoring.

## **PREMIUMS**

There are no deductibles or co-payments under the section 1115 demonstration for either QUEST or QUEST-Net. However, the premiums in QUEST and QUEST-Net are based on gross income adults. For children under the age of 19, the amount of \$90.00 is deducted from the gross earned income earned by each working adult in the family. The maximum number of individuals in one family that can be assessed a premium to purchase coverage under QUEST or QUEST-Net is five.

### **QUEST Premiums**

Self-employed adult enrollees and their spouse who are below 100 percent of FPL can pay a premium to be eligible for the full Medicaid benefit package under QUEST. The actual dollar amount is contingent upon the plan they are enrolled in and the area in which the enrollee resides. However, that amount is usually between \$81- \$112 per month per person.

### **Populations exempt from QUEST premiums**

Pregnant women and children less than 1 year of age who are in families below 185 percent of FPL

Children from age 1 but under age 6 who are in families with income up to 133 percent FPL

Children age 6 up to age 19 who are in families with income up to 100 percent FPL

GA financial assistance recipients

Section 1931

Transitional Medical Assistance recipients

### **QUEST-Net premiums**

Self-employed adults and their spouses with a family income less than or equal to 100 percent FPL who are not TANF cash recipients can pay a subsidized QUEST-Net premium of approximately \$32.00 per month per person or \$64.00 per couple for the reduced benefit package available to all QUEST-Net adults.

Adults with income exceeding 100 percent FPL can pay the full QUEST-Net premium of approximately \$63.00 per month per person for the reduced benefit package available to all

QUEST-Net adults.

Children under the age of 19 who are in families with income exceeding 200 percent FPL but less than 300 percent FPL can pay a subsidized QUEST-Net premium of \$63.00 per month per child to receive the full Medicaid benefit package available to all QUEST-Net children.

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